

**REMARKS**

Claims 1 through 37 are pending and have been examined. Claims 1-4, 6, 8, 10-11, 13, 16-17, 19, 21, 24, 26, 33-34, and 36-37 were rejected under 35 U.S.C. 102(e) as being anticipated by U.S. Patent 6,304,860 ("Martin"). Claims 5, 7, 9, 12, 14-15, 18, 20, 22-23, 25, 27-32, and 35 were rejected under 35 U.S.C. 103(a) as being obvious over Martin in view of what the Office Action asserts would have been well-known to one of ordinary skill in the art. Claim 16 was rejected under the doctrine of obviousness-type double patenting as not being patentably distinct from claim 1 of U.S. Patent 6,315,193 (the "'193 patent").

The Applicants have cancelled claim 16. The Applicants have also amended claims 19 and 36 to more explicitly set forth certain limitations that were already present in those claims as previously written. The scope of the amended claims has not been narrowed from what it was previously. All changes that were made to the claims are shown in the attachment entitled **"VERSION WITH MARKINGS TO SHOW CHANGES MADE."**

In view of these amendments, and the remarks set forth below, the Applicants respectfully request reconsideration of the rejection of claims 1-37.

I. Claim Rejections Under Section 102(e)

In paragraphs 1 and 2 of the Office Action, claims 1-4, 6, 8, 10-11, 13, 16-17, 19, 21, 24, 26, 33-34, and 36-37 were rejected under Section 102(e) as being anticipated by Martin. The Applicant respectfully requests reconsideration of the rejection of these claims.

A. Claims 1-4, 6, 16-17, 21, 24, 26, 33 and 34

Claim 1 is written in independent form. Claim 1 recites a method of conducting a transaction that, among its limitations, requires "engaging in [a] transaction using a financial transaction card . . . having associated therewith a financial account . . . and selecting . . . a type of loan to be **activated** on said financial account in order to pay for the transaction, wherein said type of loan is selected, based on . . . one or more transaction criteria, from among a plurality of loan types including a loan type having a primary payment procedure and a loan type having an

installment loan payment procedure . . . " Each of claims 2-4 and 6 depends from claim 1, and thus incorporates the above-quoted limitations.

Martin neither discloses nor suggests engaging in a transaction using a financial transaction card and selecting a type of loan to be *activated* on a financial account in order to pay for the transaction, as is required by claims 1-4 and 6. Rather, Martin describes a system for making loan *payments* using an Automated Teller Machine (ATM) card:

These and other objects are achieved by the present invention, which provides an automated debt payment system and method for providing access to a plurality of non-bank loan payment processors (loan servicers) through established ATM networks, thereby creating *a payment system* designed to allow a consumer to initiate an electronic transfer of funds from a primary bank transaction account (e.g., checking account, savings account) to a loan servicer to satisfy *an outstanding consumer debt or payment obligation*.

Martin, col. 5, lines 36-45 (emphasis added).

The portion of Martin cited in the Office Action likewise describes payment on a loan that has already been activated and for which payment is due. Nowhere in Martin is a process for selecting a type of loan to be activated on a financial account, as is required by claims 1-4 and 6, either described or suggested. In fact, Martin fails to describe or suggest any process whatsoever for activating a loan using a financial transaction card. Thus, the Applicants submit that Martin does not anticipate claims 1-4 and 6, and respectfully request that the rejection of these claims under Section 102(e) be withdrawn.

Independent claims 16, 21, and 33, and their respective dependent claims 17 (which depends from claim 16), 24 and 26 (which depend from claim 21), and 34 (which depends from claim 33) also include limitations that, like claim 1, require *activation* of a loan to pay for a transaction made using a financial transaction card. As was previously discussed in connection with claims 1-4 and 6, Martin fails to disclose or suggest any process whatsoever for activating a loan using a financial transaction card. Thus, the Applicants respectfully submit that the rejection of claims 16-17, 21, 24, 26, 33 and 34, should also be withdrawn for at least the same reasons that were set forth above in connection with claims 1-4 and 6.

B. Rejection of Claims 8, 10-11, 13

Among its other limitations, independent claim 8 requires, "a method of *authorizing* a transaction between a consumer and a merchant, said consumer having a financial transaction card . . . said method comprising the step of processing an *authorization request* by said application program using said primary financial payment processing procedure or said installment loan processing procedure depending on said transaction criteria." Claims 10-11 and 13, by virtue of their dependence from claim 8, also recite these limitations.

Martin neither discloses nor suggests processing an authorization request using a primary financial payment processing procedure or an installment loan processing procedure, as is required by claims 8, 10-11 and 13. Rather, as was previously pointed out, Martin describes a system for making loan *payments* using an Automated Teller Machine (ATM) card for loans that had already been previously authorized and for which payment is due. Nowhere in Martin is an authorization request using primary financial payment or installment loan processing procedures either disclosed or suggested. Thus, the Applicants respectfully submit that Martin does not anticipate claims 8, 10-11, or 13, and respectfully request the rejection of these claims be withdrawn.

C. Claims 19 and 36

Among its limitations, claim 36, as amended, recites:

A . . . system for processing transactions conducted using a financial transaction card, said transactions being *purchases* associated with either a primary financial payment procedure or an installment payment procedure, comprising means for determining by said application program the totals of said transactions associated with said primary financial payment procedure; [and] means for determining by said application program the totals of said transactions associated with said installment loan payment procedure . . .

(emphasis added).

Claim 19, as amended, recites a corresponding method:

a method of preparing a statement for transactions conducted using a financial transaction card . . . said transactions being *purchases* conducted using a financial transaction card . . . comprising the steps of: determining by said application program the totals of said transactions associated with said primary financial payment procedure; [and] determining by said application program the totals of said transactions associated with said installment loan payment procedure . . .

(emphasis added).

Martin neither discloses nor suggests the above-quoted limitations, which require determining the totals of purchase transactions associated with a primary financial payment procedure and an installment loan payment procedure. Rather, Martin describes a system for making *loan payments* – not purchases – using an Automated Teller Machine (ATM) card. Thus, while Martin's system may determine the totals of loan payments made by a user of Martin's system, Martin neither discloses nor suggests determining the totals of purchases associated with a primary financial payment procedure and an installment loan payment procedure, as is required by claims 19 and 36.

Thus, the Applicants respectfully submit that Martin does not anticipate claims 19 and 36, and respectfully requests withdrawal of their rejection.

D. Claim 37

Among its limitations, claim 37 recites a "system for processing payment for a financial transaction card account, said financial transaction card account having an associated installment loan balance and an associated credit balance, comprising: . . . means for processing . . . a cash advance against said credit balance equal to said difference between said payment and said installment loan balance, if said payment is less than said installment loan balance."

There is no indication in the Office Action as to what portion of Martin discloses the above-quoted limitation of claim 37. Moreover, the Applicants have reviewed Martin and respectfully point out that Martin contains no discussion of cash advances at all – much less a means for processing a cash advance equal to the difference between a payment and an installment loan balance, as is required by claim 37. As a result, the Applicants respectfully

submit that Martin does not anticipate claim 37, and request that the rejection of this claim under Section 102(e) be withdrawn.

## II. Claim Rejections Under Section 103(a)

In paragraphs 3 and 4 of the Office Action, claims 5, 7, 9, 12, 14-15, 18, 20, 22-23, 25, 27-32, and 35 were rejected as being obvious over Martin in light of what the Office Action alleges would have been known to one of ordinary skill in the art. The Applicants respectfully request reconsideration of the rejections of these claims.

With regard to claims 5, 7, 9, 12, 14-15, 18, 22-23, 25, 27 and 35, each of these claims depends from, and therefore includes all of the limitations of, either claim 1, 8, 16, 21, or 33. As was discussed previously in connection with the Section 102(e) rejections, Martin fails to disclose or suggest any process whatsoever for activating a loan using a financial transaction card – a limitation which is required by each of claims 1, 8, 16, 21 and 33, and their respective dependent claims.

This deficiency in Martin is not addressed by the Examiner in the Office Action. That is to say, the Examiner does not cite a reference or point to anything in the prior art that discloses or suggests activating a loan using a financial transaction card as required by claims 5, 7, 9, 12, 14-15, 18, 22, 23, 25, 27 and 35. Rather, the Examiner alleges that the knowledge of those skilled in the art discloses the "'credit' concept as claimed." Office Action at para. 4. Whether or not the "'credit' concept as claimed" is part of the background knowledge of one of ordinary skill in the art, the above-noted deficiency in Martin with respect to claims 5, 7, 9, 12, 14-15, 18, 22-23, 25, 27, and 35 is not cured by the combination cited in the Office Action. As a result, the Applicants submit that the Examiner has failed to establish a *prima facie* case of obviousness with respect to these claims, and respectfully requests withdrawal of their rejection under Section 103(a).

With regard to the Section 103(a) rejections of claims 28-32, claim 28 is written in independent form. Claims 29-32 depend from, and include all of the limitations of, claim 28. Among their other limitations, claims 28-32 require, a "system for *authorizing* a transaction

conducted with a financial transaction card . . . comprising: . . . means for processing an *authorization request* from a merchant . . . using said primary financial payment processing procedure or said installment loan processing procedure . . ."

Martin neither discloses nor suggests processing an authorization request using a primary financial payment processing procedure or an installment loan processing procedure, as is required by claims 8, 10-11 and 13. Rather, as was previously pointed out, Martin describes a system for making loan *payments* using an Automated Teller Machine (ATM) card for loans that had already been previously authorized and for which payment is due. Nowhere in Martin is an authorization request using primary financial payment or installment loan processing procedures either disclosed or suggested.

The Office Action does not cite any additional reference, or point to anything in the prior art, that cures this deficiency in Martin with respect to claims 28-32. Rather, the Examiner alleges that the knowledge of those of ordinary skill in the art discloses the "'credit' concept as claimed." Office Action at para. 4. Whether or not the "'credit' concept as claimed" is part of the background knowledge of one of ordinary skill in the art, the above-noted deficiency in Martin with respect to claims 8, 10-11, and 13 remains unaddressed by the Examiner. As a result, the Applicants submit that the Examiner has failed to establish a *prima facie* case of obviousness with respect to these claims, and respectfully requests withdrawal of their rejection under Section 103(a).

### III. Double Patenting Rejection

In paragraphs 5-6 of the Office Action, claim 16 was rejected under the judicially created doctrine of obviousness-type double patenting as being unpatentable over claim 1 of U.S. Patent 6,315,193. The Applicants have cancelled claim 16, which renders moot this rejection.

### IV. Conclusion

In view of the foregoing, the Applicants submit that all the presently pending claims are in condition for immediate allowance. In the event that the present application is not deemed

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to be in condition for allowance, the Examiner is invited to contact the undersigned in an effort to advance the prosecution of this application.

Respectfully submitted,

A handwritten signature in black ink, consisting of several loops and a long horizontal stroke, positioned above a solid horizontal line.

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**VERSION WITH MARKINGS TO SHOW CHANGES MADE**

19. (Amended) In a financial transaction payment system having a processing unit, an application program being executed thereon, a memory unit coupled to said processing unit, a method of preparing a statement for transactions conducted using a financial transaction card and stored in said memory unit, said transactions being purchases associated with either a primary financial payment procedure or an installment loan payment procedure, said method comprising the steps of:

determining by said application program the totals of said transactions associated with said primary financial payment procedure;

determining by said application program the totals of said transactions associated with said installment loan payment procedure; and

printing by said application program said totals of said transactions associated with said primary financial payment procedure and said totals of said transactions associated with said installment loan payment procedure on said statement.

36. (Amended) A financial transaction payment system for processing transactions conducted using a financial transaction card, said transactions being purchases associated with either a primary financial payment procedure or an installment loan payment procedure, comprising:

a processing unit;

an application program for execution on said processing unit;

means for determining by said application program the totals of said transactions associated with said primary financial payment procedure;

means for determining by said application program the totals of said transactions associated with said installment loan payment procedure; and

means for printing a statement by said application program, said statement comprising said totals of said transactions associated with said primary financial payment procedure and said totals of said transactions associated with said installment loan payment procedure.